GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:1491
ANSWERED ON:27.11.2007
EXPO ORISSA 2007 FAIR
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

:

(a) the number of enterprises participated in Expo-Orissa 2007 held recently;

(b) whether a large number of units in the Small and Medium Enterprises (SMEs) sector are either sick or on the brink of closure in the country;

(c) if so, the details thereof, State and Union Territory-wise;

(d) whether SMEs are struggling for survival in the country; and

(e) if so, the details of schemes prepared by the Government for the revival and growth of the SMEs ?

Answer

MINISTER OF MICRO, SMALL & MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a) : More than 260 units participated in Expo Orissa 2007 Fair.

(b) to (e) : As per the data compiled by the Reserve Bank of India (RBI) from the scheduled commercial banks, the number of sick Micro and Small enterprises (MSEs) and Medium enterprises in the country as at the end of March, 2007 were 1,14,132 and 17,949 respectively. The State/UT- wise data on sick MSEs and Medium Enterprises as at the end of March, 2007 are annexed.

The Government of India has taken various measures to facilitate timely identification and rehabilitation of potentially viable sick MSEs. These include among others, setting up of State Level Inter-institutional Committee in each State under the convenorship of RBI, issue of guidelines to banks on detection of sickness at an early stage & taking remedial measures for rehabilitation of sick SSI units identified as potentially viable etc. In line with the "Policy Package for Stepping up Credit to Small and Medium Enterprises (SMEs)", the RBI has issued guidelines to the banks regarding debt restructuring mechanism for SMEs to facilitate restructuring of debt of all eligible SMEs.

Further, a "Package for Promotion of Micro and Small Enterprises" has been announced to provide full support in areas of credit, technological upgradation, marketing, infrastructure upgradation, facilities for training and capacity building of entrepreneurs for the growth of MSMEs.

In addition to facilitate the promotion and development and enhancing the competitiveness of MSMEs, the Government has put in place the Micro, Small and Medium Enterprises Development Act, 2006 which, inter-alia, provides for measures for promotion and development, credit facilities, procurement policy for micro and small enterprises, measures to check delayed payments to micro and small enterprises and establishment of micro and small enterprises facilitation council (MSEFCs), etc.